

June 12, 2020

To	To
The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street Mumbai – 400001	The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051
Code: 540222	Code: LAURUSLABS

Dear Sirs,

Sub: Notice of the 15th Annual General Meeting for FY 2019-20, to be held on July 09, 2020.

We enclose the Notice convening the 15th Annual General Meeting (AGM) of shareholders for the financial year 2019-20 for the AGM to be held on Thursday, July 09, 2020 at 03.00 PM (IST) through video conference (VC).

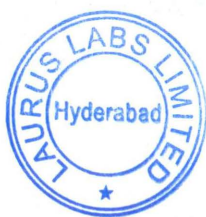
This is for your information and records.

Thanking you,

Yours sincerely,

For **Laurus Labs Limited**


G. Venkateswar Reddy
Company Secretary



Encl: As above

Laurus Labs Limited

Regd. Office: Plot No.21, Jawaharlal Nehru Pharma City, Parawada, Visakhapatnam – 531 021
 Corp. Office: 2nd Floor, Serene Chambers, Road No.7, Banjara Hills, Hyderabad – 500 034
CIN No: L24239AP2005PLC047518

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of Laurus Labs Limited (the **Company**) will be held through Video Conferencing (VC) **at 3.00 p.m. on Thursday the 9th day of July 2020**, to transact the following business:

ORDINARY BUSINESS :

- To consider and adopt the audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020, the reports of Board of Directors and Auditors thereon
- To consider and adopt the audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 and report of Auditors thereon.
- To approve and ratify the interim dividend on equity shares @ ₹ 1.50/- already paid for the Financial Year 2019-20.
- To declare the final dividend on equity shares of the Company for the Financial Year 2019-20.
- To appoint a Director in place of Mr. Narendra Ostawal (DIN 06530414) who retires by rotation and, being eligible, offers himself, for re-appointment.
- To appoint a Director in place of Mr. V. V. Ravi Kumar (DIN 01424180) who retires by rotation and, being eligible, offers himself, for re-appointment.

SPECIAL BUSINESS:

7. TO APPROVE THE REMUNERATION PAYABLE TO COST AUDITORS FOR THE FINANCIAL YEAR ENDING 2020-21

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Cost Auditors, M/s. Bharathula & Associates, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2020-21, be paid a remuneration of ₹ 3,50,000/- (Rupees three lakhs and fifty thousand only) per annum and out of pocket & other expenses and GST at actuals.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution.”

8. APPOINTMENT OF DR. SATYANARAYANA CHAVA (DIN 00211921) AS EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and in accordance with sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force) read with Schedule V to the Act, as amended from time to time, and pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, consent of the Company be and is hereby accorded for the appointment of Dr. Satyanarayana Chava, having Director Identification Number 00211921, as Executive Director and Chief Executive Officer of the Company, whose office will be liable to determination by retirement by rotation, for a period of five (05) years with effect from April 01, 2020 and up to March 31, 2025 on the following terms and conditions:

(a) Salary:

The Executive Director's aggregate salary shall be ₹90,000,000/- (Rupees Ninety Million only) per annum payable in 12 (twelve) monthly instalments (**“Annual Salary”**). The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws. The Annual Salary shall stand increased by 10% every financial year (effective from 1st April of each year).

(b) Business Expenses:

The Executive Director shall be reimbursed by the Company for all reasonable out of pocket expenses incurred pertaining to or in connection with the performance of his duties under this Agreement in line with the Company's expenses policy. In the event, the Executive Director is required to travel, whether within India or abroad in relation to the obligations imposed on the Executive Director, such travel shall be in accordance with the Company travel policy.

(c) Annual Bonus:

- The Company shall pay the Executive Director a bonus of such amount as may be determined in accordance with (ii) below, based upon achievement of performance criteria in respect of each completed financial year with effect from April 01, 2020.
- For every financial year, the Executive Director shall be eligible to receive a bonus (which shall be

paid immediately upon the Board approving the audited financial statements of the Company for the corresponding financial year) based upon the Company's achievement of the consolidated EBITDA projection for a financial year (on the basis that the consolidated non-interest financial charges are deducted while calculating the consolidated EBITDA and any EBITDA from acquisitions during the year be excluded, if it is so included in the consolidated EBITDA) (**“Target”**) in the following manner:

(A) Less than 75% of the Target = zero bonus;

(B) 75% or more of the Target = bonus equal to the percentage of the Target achieved multiplied by the Annual Salary (as increased on a yearly basis), provided that the amount of bonus paid pursuant to this clause will not exceed 120% of the Annual Salary.

(d) Leave entitlement

During the Term, the Executive Director shall be entitled (in addition to the usual public and bank holidays) to 20 (twenty) calendar days' of paid leave in each year as per the Company policy.

(e) Benefits

The Executive Director shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of the Company including car, leave travel allowance, gratuity, medical and health insurance plans etc. but excluding employee stock option plans. The Executive Director shall be provided with one recognized club membership of his choice for himself and his family at Hyderabad.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

9. APPOINTMENT OF Mr. V. V. RAVI KUMAR (DIN 01424180) AS EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and in accordance with sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force) read with Schedule V to the Act, as amended from time to time, and pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, consent of the Company be and is hereby accorded

for the appointment of Mr. V. V. Ravi Kumar, having Director Identification Number 01424180, as Executive Director and Chief Financial Officer of the Company, whose office will be liable to determination by retirement by rotation, for a period of five (05) years with effect from April 01, 2020 up to March 31, 2025 on the following terms and conditions:

(a) Salary:

The Executive Director's aggregate salary shall be ₹ 30,000,000/- (Rupees Thirty million only) per annum payable in 12 (twelve) monthly instalments (**“Annual Salary”**). The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws. The Annual Salary shall stand increased by 10% every financial year (effective from 1st April of each year).

(b) Business Expenses:

The Executive Director shall be reimbursed by the Company for all reasonable out of pocket expenses incurred pertaining to or in connection with the performance of his duties under this Agreement in line with the Company's expenses policy. In the event, the Executive Director is required to travel, whether within India or abroad in relation to the obligations imposed on the Executive Director, such travel shall be in accordance with the Company travel policy.

(c) Annual Bonus:

- The Company shall pay the Executive Director a bonus of such amount as may be determined in accordance with (ii) below, based upon achievement of performance criteria in respect of each completed financial year with effect from April 01, 2020.
- For every financial year, the Executive Director shall be eligible to receive a bonus (which shall be paid immediately upon the Board approving the audited accounts of the Company for the corresponding financial year) based upon the Company's achievement of the consolidated EBITDA projection for a financial year (on the basis that the consolidated non-interest financial charges are deducted while calculating the consolidated EBITDA and any EBITDA from acquisitions during the year be excluded, if it is so included in the consolidated EBITDA) (**“Target”**) in the following manner:

(A) Less than 75% of the Target = zero bonus;

(B) 75% or more of the Target = bonus equal to the percentage of the Target achieved multiplied by the 50% of Annual Salary (as increased on a yearly basis), provided that the amount of bonus paid pursuant to this clause will not exceed 60% of the Annual Salary.

(d) Leave entitlement

During the Term, the Executive Director shall be entitled (in addition to the usual public and bank holidays) to 20 (twenty) calendar days' of paid leave in each year as per the Company policy.

(e) **Benefits**

The Executive Director shall be entitled to participate, along with the other employees of the Company, in any of the employee benefit and compensation plans, whether statutory or otherwise, as may be generally available to employees of the Company including car, leave travel allowance, gratuity, medical and health insurance plans etc. but excluding employee stock option plans. The Executive Director shall be provided with one recognized club membership of his choice for himself and his family at Hyderabad.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

10. REVISION OF REMUNERATION OF DR. LAKSHMANA RAO CV, WHOLE-TIME DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass the following resolution with or without modifications, as a Special Resolution:

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and in accordance with sections 197, 198 and all other applicable provisions of the Companies Act 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force) read with Schedule V to the Act, as amended from time to time, and pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and pursuant to the existing employment agreement, the consent of the Company be and is hereby accorded to revise the remuneration to Dr. Lakshmana Rao CV, Executive Director of the Company having Director Identification Number 06885453, with effect from April 01, 2020 on the following terms and conditions:

(a) **Salary:**

The Executive Director’s aggregate salary shall be ₹20,000,000/- (Rupees Twenty Million only) per annum payable in 12 (twelve) monthly instalments (**“Annual Salary”**). The aforesaid salary shall be subject to deductions for income tax, contributions to provident fund, gratuity fund or superannuation fund and all other statutory deductions required to be made by the Company in accordance with applicable Laws. The Annual Salary shall stand increased by 10% every financial year (effective from 1st April of each year).

(b) **Annual Bonus:**

- (i) The Company shall pay the Executive Director a bonus of such amount as may be determined in accordance with (ii) below, based upon achievement of performance criteria in respect of each completed financial year with effect from April 01, 2020.

- (ii) For every financial year, the Executive Director shall be eligible to receive a bonus (which shall be paid immediately upon the Board approving the audited accounts of the Company for the corresponding financial year) based upon the Company’s achievement of the consolidated EBITDA projection for a financial year (on the basis that the consolidated non-interest financial charges are deducted while calculating the consolidated EBITDA and any EBITDA from acquisitions during the year be excluded, if it is so included in the consolidated EBITDA) (**“Target”**) in the following manner:

- (A) Less than 75% of the Target = zero bonus;
- (B) 75% or more of the Target = bonus equal to the percentage of the Target achieved multiplied by the 50% of Annual Salary (as increased on a yearly basis), provided that the amount of bonus paid pursuant to this clause will not exceed 60% of the Annual Salary.”

“RESOLVED FURTHER THAT the other terms and conditions of his existing employment agreement will remain unchanged”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

11. FIXATION OF REMUNERATION TO MR. CHANDRAKANTH CHEREDDI AS NON-EXECUTIVE DIRECTOR OF THE COMPANY :

To consider and, if thought fit, to pass the following resolution with or without modifications, as an Ordinary Resolution:

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration committee and the approval of the Board the consent of the company be and is hereby accorded to change the designation of Mr. Chandrakanth Chereddi (DIN No.06838798) from Executive Director to Non-Executive Director, liable to retire by rotation, with effect from April 01, 2020 at an annual remuneration of ₹ 4,000,000/- (Rupees Four Million Only) per annum payable in four calendar quarterly installments, apart from receiving sitting fee and reimbursement of out of pocket expenses for attending Board and Committee Meetings, as per the rules of the Company.”

“RESOLVED FURTHER THAT Mr. V. V. Ravi Kumar, Whole-time Director and CFO and Mr. G. Venkateswar Reddy, Company Secretary be and are hereby severally authorised to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution.”

12. RECLASSIFICATION OF DR.SRIHARI RAJU KALIDINDI AND HIS RELATIVES FROM “PROMOTER CATEGORY” TO “PUBLIC CATEGORY”

To consider and, if thought fit, to pass the following resolution with or without modifications, as an Ordinary Resolution:

“RESOLVED THAT pursuant to Regulation 31A and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment(s) or modification(s) made thereto from time to time and any other laws and regulations as may be applicable from time to time, and subject to the necessary approvals of the Stock Exchanges and other appropriate statutory authorities as may be necessary, the consent of the members of the Company be and is hereby accorded for re-classification of following persons from Promoter/Promoter group category to Public category, since the persons are neither involved in the management of the Company nor exercise control over the affairs of the Company directly or indirectly and hold not more than 10% of the total voting rights in the Company and also none of the following persons have entered into any shareholder’s or other agreement with the Company nor they have any veto rights or special information rights or special rights as to voting power or control of the Company:

Sl. No.	Name of the Person	No. of Equity Shares held	% of total Equity Share Capital
1	Dr. Kalidindi Srihari Raju	34,97,891	3.27 %
2	Mrs. Chintalapati Jayapadma	40,000	0.04 %
3	Mrs. Chintalapati Vijayadurga	40,000	0.04 %
Total		35,77,891	3.35%

“RESOLVED FURTHER THAT pursuant to Regulation 31A (3) sub clause (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby confirmed that, the aforesaid persons seeking reclassification:

- i. Do not hold more than ten percent of the total voting rights in the Company;
- ii. Do not exercise control over the affairs of the Company directly or indirectly;
- iii. Do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv. Have not been represented on the Board of Directors (including not having a nominee director) of the Company;
- v. Have never act as a key managerial person in the Company;
- vi. Are not a ‘wilful defaulter’ as per the Reserve Bank of India Guidelines; and
- vii. Are not a fugitive economic offender.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution for Re-classification of Promoter/ Promoter Group to Public Shareholding, the Board or the officers authorized by the Board in this regard be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard and to submit all the requisite applications, representations, filings etc. with the Stock Exchanges and other regulatory authorities as may be required in this regard without requiring the Board to secure any further consent or approval of the members of the Company”

13. SUB-DIVISION OF EQUITY SHARES FROM THE FACE VALUE OF RS. 10/- EACH TO FACE VALUE OF ₹ 2/- PER SHARE

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 61, 64 and all other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder including the statutory modification(s) or re-enactment(s) thereof for the time being in force and the relevant provisions of the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India (SEBI) and the other Rules, Regulations, Circulars, Notifications, etc. issued thereunder, consent of the Shareholders of the Company be and is hereby accorded to approve the sub-division of the nominal value of equity shares of the Company from the existing nominal value of ₹10/- each to nominal value of ₹ 2/- each, thereby keeping the paid up share capital intact.

“RESOLVED FURTHER THAT pursuant to Sub-Division of the equity shares of the Company, nominal value of ₹ 10 (Rupees Ten only) of all the issued, subscribed and paid-up equity shares of the Company existing on the Record Date to be fixed by the Company shall stand sub-divided into equity shares of nominal value of ₹ 2/- each fully paid.”

“RESOLVED FURTHER THAT upon Sub-Division of equity shares, as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the nominal value of ₹ 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the “Record Date” to be fixed by the Company and Company may without requiring the surrender of existing share certificate(s) directly issue and dispatch the new share certificate(s) of the Company, in lieu thereof, subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and in the case of members who hold the equity shares / opt to receive the sub-divided equity shares in dematerialized form, the subdivided equity shares of nominal value of ₹ 2/- each shall be credited to the respective beneficiary account of the members with their respective depository participants and the Company shall undertake

such Corporate Action(s) as may be necessary in relation to the existing equity shares of the Company.”

“RESOLVED FURTHER THAT Dr. Satyanarayana Chava, Executive Director & CEO, Mr. V. V. Ravi Kumar, Executive Director & CFO, Dr. Venkata Lakshmana Rao Chunduru, Executive Director of the Company and Mr. G. Venkateswar Reddy, Company Secretary of the Company, be and are hereby authorized on behalf of the Company to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to execute all deeds, applications, documents and writings that may be required and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

14. ALTERATION OF CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF COMPANY

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 13 read with 61 and all other applicable provisions of the Companies Act, 2013 and all other applicable provisions, if any, and subject to the approvals, consents, permission and sanctions as may be necessary from the appropriate authorities or bodies, the existing Clause V of the Memorandum of Association of the Company be and are hereby substituted as follows:

The authorized share capital of the Company is ₹1,110,000,000/- (Rupees One Billion One hundred ten million only) divided into 555,000,000/- (Five hundred and Fifty-five million only) Equity Shares of par value of ₹ 2/- each.*

with power to increase or reduce and alter the capital in accordance with the provisions of the Companies Act, 2013 and the regulations of the Company and to vary, modify or abrogate in such manner as may for the time being be provided by the regulation of the Company.”

“RESOLVED FURTHER THAT Dr. Satyanarayana Chava, Executive Director & CEO, Mr. V. V. Ravi Kumar, Executive Director & CFO, Dr. Venkata Lakshmana Rao Chunduru, Executive Director of the Company and Mr. G. Venkateswar Reddy, Company Secretary of the Company, be and are hereby authorized on behalf of the Company to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters, and things and to give such directions as may be necessary or expedient or incidental for the purpose of giving effect to this Resolution.”

15. ALTERATION OF CLAUSES OF ARTICLES OF ASSOCIATION OF THE COMPANY

To consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any of the companies Act, 2013 and the rules made thereunder, consent of the Shareholders of the Company be and is hereby accorded to substitute Clause 2(A)(v) of Articles of Association of the Company with the following new Clause:-

Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of ₹2/- (Rupees two only) per equity share, and one vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares.

“RESOLVED FURTHER THAT Dr. Satyanarayana Chava, Executive Director & CEO, Mr. V. V. Ravi Kumar, Executive Director & CFO, Dr. Venkata Lakshmana Rao Chunduru, Executive Director of the Company and Mr. G. Venkateswar Reddy, Company Secretary of the Company, be and are hereby authorized on behalf of the Company to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to do all such acts, deeds, matters, and things and to give such directions as may be necessary or expedient or incidental for the purpose of giving effect to this Resolution.”

By order of the Board
Laurus Labs Limited

Sd/-
G. Venkateswar Reddy
Company Secretary

Regd. Office:

Plot No.21,
Jawaharlal Nehru Pharma City,
Parawada,
Visakhapatnam – 531 021
E-mail:secretarial@lauruslabs.com

Place: Hyderabad
Date: April 30, 2020

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business set out above is annexed hereto and forms part of the Notice.
2. Brief resume of Directors proposed to be appointed/re-appointed, (in item no. 5 & 6) nature of their expertise in specific functional areas, name of companies in which they hold directorships and membership/chairmanships of Board Committees and shareholding in the Company as stipulated under SEBI (LODR) Regulations, 2015 are provided in the Report on Corporate Governance forming part of the Annual Report.
3. In view of the prevailing lock down situation across the country due to outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, MCA (Ministry of Corporate Affairs) vide circular Nos. Circular

No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 05, 2020, companies are permitted to hold their AGM through Video Conferencing (VC) for the calendar year 2020.

4. Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 read with the aforesaid circulars issued by MCA, the 15th Annual General Meeting of the Company shall be conducted through Video Conferencing (VC) to be referred to as “e-AGM”.
5. The Company has appointed M/s. National Securities Depository Limited (NSDL) to provide Video Conferencing facility for the e-AGM
6. In the e-AGM:
 - a. Members can attend the meeting through log in credentials provided to them to connect to Video Conference. Physical attendance of the Members at the Meeting venue is not required.
 - b. Appointment of proxy to attend and cast vote on behalf of the member is not available.
 - c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC and participate thereat and cast their votes through e-voting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from July 03, 2020 to July 09, 2020 (both days inclusive) for the Annual General Meeting and for payment of dividend.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.
9. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company’s Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF rules.

10. Pursuant to Rule 5(8) of Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on July 11, 2019 (date of last AGM) on its website at www.lauruslabs.com and also on the website of the Ministry of Corporate Affairs.

11. The Notice calling the e-AGM has been uploaded on the website of the Company at www.lauruslabs.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

12. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

13. Up to 1000 members will be able to join on a First Come First Serve basis to the e-AGM.

14. No restrictions on account of First Come First Serve basis entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.

15. The attendance of the Members (members’ logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

16. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting agency M/s. National Securities Depository Limited (NSDL).

17. Voting at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting system provided in the e-AGM by M/s. National Securities Depository Limited (NSDL).

18. The Statutory Registers and the documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode. The shareholders may write an e-mail to secretarial@lauruslabs.com and the Company shall respond suitably.

Instructions for the Members for attending the e-AGM through Video Conference:

19. Member will be provided with a facility to attend the e-AGM through VC through the NSDL e-Voting system by accessing <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that

- the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
20. Members are encouraged to join the Meeting through Laptops for better experience.
21. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
22. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
23. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at secretarial@lauruslabs.com.
24. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@lauruslabs.com. The same will be replied by the company suitably.
25. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Instructions for members for remote e-Voting

26. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and as per the requirements of the SEBI (LODR) Regulations 2015, your Company is pleased to provide members facility to exercise their right to vote at the 15th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by M/s. National Securities Depository Limited.
27. The remote e-voting period begins on July 06, 2020 at 09:00 A.M. and ends on July 08, 2020 at 05:00 P.M. and the remote e-voting module shall be disabled by NSDL for voting thereafter.
28. The Instructions for remote voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- (iv) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

- (v) Your password details are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?

- o If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
- o If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
- (vi) If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- (vii) After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

- (viii) Now, you will have to click on “Login” button.

- (ix) After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- (i) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- (ii) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- (iii) Select “EVEN” of company for which you wish to cast your vote.
- (iv) Now you are ready for e-Voting as the Voting page opens.
- (v) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which

you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

- (vi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General guidelines for shareholders

- (i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to yvavifcs@gmail.com with a copy marked to evoting@nsdl.co.in.
- (ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request by email to evoting@nsdl.co.in

28. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- (i) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to secretarial@lauruslabs.com and evoting@nsdl.co.in.
- (ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to secretarial@lauruslabs.com and evoting@nsdl.co.in.

Instructions for members for e-Voting during the e-AGM session:

29. The procedure for e-Voting on the day of the e-AGM is same as the instructions mentioned above for remote e-voting.

30. Only those Members/ shareholders, who will be present in the e-AGM through Video Conference facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting in the e-AGM and they can exercise their vote while they are connected in the Video Conference by following the guidelines provided therein.
31. However, members who have voted through Remote e-Voting will be eligible to attend the e-AGM.
32. The Board of Directors of the Company has appointed Mr.Y.Ravi Prasada Reddy, Proprietor of RPR Associates, a Practicing Company Secretary, as scrutinizer to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
33. The voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. July 03, 2020.
34. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. July 03, 2020 only shall be entitled to avail the facility of remote e-voting/ e-voting at the meeting.
35. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date may obtain the USER ID and Password by sending an e-mail request to evoting@nsdl.co.in.
36. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company at www.lauruslabs.com. The results shall simultaneously be communicated to the Stock Exchanges.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013

Item No. 7:

The Board, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Bharathula & Associates, Cost Accountants, as Cost Auditors at a remuneration of ₹ 3,50,000/- (Rupees Three lakhs and Fifty thousand only) per annum plus out of pocket expenses and GST, at actuals, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for

approval of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

The Board recommends the resolution set forth in the Item No. 7 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel or relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 8:

The Board has appointed Dr. Satyanarayana Chava as the Executive Director & CEO of the Company for a period of five years from April 01, 2020 and up to March 31, 2025, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Brief resume of Dr. Satyanarayana Chava, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

The Annual Salary of Dr. Satyanarayana in the FY 2019-20 was ₹ 79.86 Million, which is being proposed to increase to ₹ 90.00 Million.

Overall remuneration: The aggregate of salary, allowances, perquisites and performance bonus in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any modifications or re-enactment for the time being in force.

Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director & CEO, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being be in force.

Income-Tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

If at any time the Executive Director & CEO ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Executive Director & CEO and his Agreement with the Company shall stand terminated forthwith.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Dr. Satyanarayana Chava under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Dr. Satyanarayana Chava's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No. 8 of this Notice relating to his re-appointment as Executive Director & CEO of the Company for a further period of five years w.e.f. April 01, 2020 and up to March 31, 2025 as a Special Resolution for your approval. In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act and SEBI (LODR) Regulations, 2015, the terms of

remuneration specified above are now being placed before the Members for their approval. Except, Dr. Satyanarayana Chava and Mr. Chandrakanth Chereddi, being son-in-law of Dr. Satyanarayana Chava, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 8 of the Notice. Dr. Satyanarayana Chava is not related to any other Director or KMP of the Company.

The Board of Directors recommends the resolution in relation to the re-appointment of Dr. Satyanarayana Chava as Executive Director & CEO of the Company as set out in Item No. 8 for approval of the Members by way of a Special Resolution.

Item No. 9:

The Board has appointed Mr. V. V. Ravi Kumar as the Executive Director & CFO of the Company for a period of five years from April 01, 2020 and up to March 31, 2025, upon the terms & conditions hereinafter indicated, subject to approval of the Members.

Brief resume of Mr. V. V. Ravi Kumar, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

The Annual Salary of Mr. V. V. Ravi Kumar in the FY 2019-20 was ₹ 22.50 Million, which is being proposed to increase to ₹ 30.00 Million.

Overall remuneration: The aggregate of salary, allowances, perquisites and performance bonus in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any modifications or re-enactment for the time being in force.

Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director & CFO, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being be in force.

Income-Tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

If at any time the Executive Director & CFO ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Executive Director & CFO and his Agreement with the Company shall stand terminated forthwith.

The above may be treated as a written memorandum setting out the terms & conditions of appointment of Mr. V. V. Ravi Kumar under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Mr. V. V. Ravi Kumar's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No. 9 of

this Notice relating to his re- appointment as Executive Director & CFO of the Company for a further period of five years w.e.f. April 01, 2020 and up to March 31, 2025 as a Special Resolution for your approval. In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act and SEBI (LODR) Regulations, 2015, the terms of remuneration specified above are now being placed before the Members for their approval. Except Mr. V. V. Ravi Kumar, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 9 of the Notice. Mr. V. V. Ravi Kumar is not related to any other Director or KMP of the Company.

The Board of Directors recommends the resolution in relation to the re-appointment of Mr. V. V. Ravi Kumar as Executive Director & CFO of the Company as set out in Item No. 9 for approval of the Members by way of a Special Resolution.

Item No. 10:

Dr. Lakshmana Rao CV was appointed as Whole-Time Director of the Company for a period of 5 Years with effect from March 08, 2018 as approved by the shareholders at their meeting held on July 05, 2018 with a remuneration approved by the shareholders.

Further, the Board of Directors had approved for revision in the remuneration of Dr. Lakshmana Rao CV with effect from April 01, 2020 subject to the approval of the shareholders, for the balance period of his term.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Dr. Lakshmana Rao's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No. 10 of this Notice relating to revision in the remuneration of Dr. Lakshmana Rao CV with effect from April 01, 2020, for the balance period of his term as a Special Resolution for your approval.

The Annual Salary of Dr. Lakshman in the FY 2019-20 was ₹ 9.90 Million, which is being proposed to increase to ₹ 20.00 Million.

Overall remuneration: The aggregate of salary, allowances, perquisites and performance bonus in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any modifications or re-enactment for the time being in force.

Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director, the payment of salary, performance incentives, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being be in force.

Income-Tax in respect of the above remuneration will be deducted at source as per the applicable Income Tax Laws / Rules.

If at any time the Executive Director ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be

the Executive Director and his Agreement with the Company shall stand terminated forthwith.

In compliance with the provisions of Sections, 197, 198 and other applicable provisions of the Act, read with Schedule V to the Act and SEBI (LODR) Regulations, 2015, the terms of remuneration specified above are now being placed before the Members for their approval. Except Dr. Lakshmana Rao CV, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 10 of the Notice. Dr. Lakshmana Rao is not related to any other Director or KMP of the Company.

The Board of Directors recommends the resolution in relation to the revision in the remuneration of Dr. Lakshmana Rao CV with effect from April 01, 2020, for the balance period of his term as set out in Item No. 10 for approval of the Members by way of a Special Resolution.

Item No. 11:

The Board of Directors had approved for change in the designation of Mr. Chandrakanth Cherreddi as Non-Executive Director liable to retire by rotation with effect from April 01, 2020 at a remuneration of ₹ 4,000,000/- subject to the approval of the members.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Mr. Chandrakanth's wide experience across various industries in general, the pharma industry and Laurus Labs in particular helps the Company in further growth and has recommended the Resolution at Item No. 11 of this Notice as an Ordinary Resolution for your approval relating to fixation of remuneration to Mr. Chandrakanth as a Non-Executive Director liable to retire by rotation, at a remuneration of ₹ 4,000,000/- p.a., (Rupees Four Million only) payable in 4 calendar quarterly installments, which is on-par with the industry standards. He will also be entitled to receive a sitting fee and reimbursement of out of pocket expenses for attending Board and Committee Meetings, as per the rules of the Company, with effect from April 01, 2020.

Brief resume of Mr. Chandrakanth, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure to this notice.

Except Mr. Chandrakanth and Dr. Satyanarayana Chava, being his Father-in-Law, none of the other Directors, Key Managerial Personnel or the relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 11 of the Notice. Mr. Chandrakanth is not related to any other Director or KMP of the Company.

The Board of Directors recommends the resolution in relation to the fixation of the remuneration to Mr. Chandrakanth with effect from April 01, 2020, as set out in Item No. 11 for approval of the Members by way of an Ordinary Resolution.

Item No. 12:

The Company had received letter from the following persons falling under the category of Promoter/ Promoter Group of the Company requesting the Company for reclassification of their Shareholding from the category of “Promoter/Promoter Group” to “Public category”:

Sl. No.	Name of the Person	No. of Equity Shares held	% of total Equity Share Capital
1	Dr. Kalidindi Srihari Raju	34,97,891	3.27 %
2	Mrs. Chintalapati Jayapadma	40,000	0.04 %
3	Mrs. Chintalapati Vijayadurga	40,000	0.04 %
Total		35,77,891	3.35%

Dr. Kalidindi Srihari Raju was associated with the Company from 2006 to 2018 as Executive Director of the Company and was one of the Promoters of the Company. However, Dr. Raju has resigned as Executive Director of the Company in March 2018 and has not been associated with the Company anymore in any capacity. Therefore Dr. Raju does not have any control over the affairs of the Company or in any decision-making process of the Company. Mrs. Chintalapati Jayapadma and Mrs. Chintalapati Vijayadurga are being the sisters of Dr. Srihari Raju had been identified as Promoter Group members. The aforesaid persons together are holding 3.35% of the total paid up equity capital of the Company. The aforesaid persons do not exercise any control over the Company and are not involved in the management of the Company. Pursuant to clause (b) sub-regulation 3 of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid persons seeking re-classification have confirmed that:

- i) they are not holding more than ten percent of the total voting rights in the Company.
- ii) they do not exercise control over the affairs of the Company directly or indirectly.
- iii) they have no special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.
- iv) they are not represented on the board of directors (including not having a nominee director) of the Company.
- v) they do not act as Key managerial person in the Company.
- vi) they are not ‘wilful defaulter’ as per the Reserve Bank of India Guidelines and
- vii) they are not fugitive economic offenders.

They have also confirmed that at all times from the date of such reclassification, they shall continue to comply sub-clauses (i), (ii) and (iii) of aforesaid Clause (b) of Sub- regulations (3) of Regulation 31A and shall also comply with conditions mentioned at sub-clauses (iv) and (v) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (LODR) Regulations, 2015 for a period of not less than three years from the date of reclassification, failing which they shall automatically be reclassified as promoter/persons belonging to Promoter Group as applicable.

Based on the letter received from the above Promoter Persons and in view of the provisions of Regulation 31A of SEBI (LODR)

Regulations, 2015 and on satisfaction of the conditions (i) to (vii) specified in clause (b) of sub- regulation (3) and compliance of sub-regulation (4) of Regulation 31A of SEBI (LODR) Regulations, 2015 and separation of Dr. Srihari Raju with the Company for more than two years ago, the Board of Directors at their meeting held on March 12, 2020 considered and approved the application for reclassification of Dr. Srihari Raju, Mrs. Chintalapati Jayapadma and Mrs. Chintalapati Vijayadurga from Promoter/Promoter Group Category to Public Category subject to approval of the Members of the Company at the Annual General Meeting of the Company and also subject to the approval of the Stock Exchanges.

Further, as per Rule 19A of the Securities Contacts (Regulation) Rules, 1957, the public shareholding as on date of the notice fulfils the minimum public shareholding requirement of at least 25% shareholding and the proposed reclassification is not intended to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement.

The shareholding pattern of the Company before and after the proposed reclassification is furnished below:

Before proposed Reclassification (as on March 31, 2020)			After proposed Reclassification		
Category	Number of Shares	Percentage of Share Capital	Category	Number of Shares	Percentage of Share Capital
Promoter	34,255,964	32.04	Promoter	30,678,073	28.70
Public	72,658,535	67.96	Public	76,236,426	71.30
Total	106,914,499	100.00	Total	106,914,499	100.00

The Board of Directors of your Company recommends this resolution as set out under item no.12 for your approval as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or relatives of Directors and Key Managerial Persons are, in any way, concerned or interested, financially or otherwise in the resolution set out in item no.12 above.

Item No. 13, 14 & 15:

As the members may be aware that the Equity Shares of your Company are listed and trading on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange (BSE) with effect from December 19, 2016. With a view to have more participation from the investors in the scrip and in order to increase the liquidity and make the equity shares of the Company more affordable to the small investors, the Board of Directors of the Company in its meeting held on April 30, 2020 has recommended Sub-Division of 1 (one) Equity Share of face value of ₹ 10/- (ten) each fully paid up into 5 Equity Shares of ₹2 each fully paid up, resulting in issuance of 5 Equity Shares of ₹ 2 each fully paid up respectively, thereby keeping the paid up capital intact.

The recommended sub-division of equity shares requires approval of the Shareholders by way of ordinary resolution as set out in Item No. 13 and also requires approval for amending the ‘Capital Clause’ of the Memorandum of Association and the Article of Association of the Company also. Accordingly, it is proposed to

amend the “Capital Clause V” of the Memorandum of Association by substituting with the following new clause-

“The authorized share capital of the Company is ₹1,110,000,000/- (Rupees One Billion One hundred ten million only) divided into 555,000,000/- (Five hundred and Fifty-five million only) Equity Shares of par value of ₹2/- each.*

with power to increase or reduce and alter the capital in accordance with the provisions of the Companies Act, 2013 and the regulations of the Company and to vary, modify or abrogate in such manner as may for the time being be provided by the regulation of the Company.”

And amend the Article of Association of the Company, by substituting the “Clause 2(A)(v)” of Articles of Association of the Company with the following new Clause:-

“Equity Shares” shall mean fully paid-up equity shares of the Company having a par value of INR 2/- (Rupees Two only) per equity share, and one vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares.

The draft of revised Memorandum of Association and the Article of Association of the Company, reflecting the said changes are available for inspection in the website of the Company at www.lauruslabs.com.

In this regard, the approval of shareholders is sought by way of ordinary resolutions as set out in Item Nos. 13 and 14 and by way of special resolution for Item No. 15.

The Board recommends the resolutions set forth in the Item Nos. 13, 14 & 15 of the Notice for approval of the members.

After approval of the resolutions set out at Item Nos. 13, 14 and 15, the Board of Directors fix the record date for the purpose of ascertaining the list of members whose shares shall be sub-divided, as proposed above and the same shall be notified to the members through appropriate medium.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolutions, except to the extent of equity shares held by them in the Company.

By order of the Board
Laurus Labs Limited

Sd/-
G. Venkateswar Reddy
Company Secretary

Regd. Office:
Plot No.21,
Jawaharlal Nehru Pharma City,
Parawada,
Visakhapatnam – 531 021
E-mail:secretarial@lauruslabs.com

Place: Hyderabad
Date: April 30, 2020

Annexure

Details of Directors seeking appointment/re-appointment at the 15th Annual General Meeting of the Company to be held on July 09, 2020
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	Dr. Satyanarayana C	Mr. V. V. Ravi Kumar	Mr. Chandrakanth Chereddi
Date of Birth	10-03-1961	01-07-1965	30-07-1983
Age	59 Years	54 Years	36 Years
Date of Appointment	21-01-2006	30-11-2006	09-08-2016
Relationship with Directors and Key Managerial Personnel	Father-in-Law of Mr. Chandrakanth Chereddi	No Relationship	Son-in-Law of Dr. Satyanarayana Chava
Expertise in specific functional area*	Pharmaceuticals	Finance, IT, SCM, HR	Pharmaceuticals, IT
Qualifications	M.Sc., PhD	M.Com, FCMA	M.Tech., MS, PGPM
Board Membership of other listed companies as on March 31, 2020	NIL	NIL	NIL
Chairmanships/Memberships of the Committees of other public limited companies as on March 31, 2020			
a. Audit Committee			
b. Stakeholders Relationship Committee		Member	Member
c. Nomination and Remuneration Committee			
d. CSR Committee		Chairman	
e. Other Committees	Risk Management Committee – Chairman	Risk Management Committee - Member	Risk Management Committee - Member
Number of equity shares held in the Company as on March 31, 2020	18838804	1621000	NIL

* For additional details on skills, expertise, knowledge and competencies of Directors, please refer to Corporate Governance Report forming part of the Annual Report

Notes:

1. The Directorship, Committee Memberships and Chairmanships do not include positions in foreign companies, unlisted companies and private companies, position as an advisory board member and position in companies under Section 8 of the Companies Act, 2013
2. Information pertaining to remuneration paid to the Directors who are being appointed/ re-appointed and the number of Board Meetings attended by them during the year 2019-20 have been provided in the Corporate Governance Report forming part of the Annual Report.

NOTES

[illegible]